

HB 1496 -- Tax Increment Financing

Sponsor or Co-Sponsors: Representatives Green (73) and Hanaway

Same as or similar to: HB 599 Year: 2001

Emergency Clause: or Effective Date of: July 1, 2003

Use Summary For: Version:, Year:,

Verbatim:

Modify above as follows:

New summary as follows:

Relating to the "Real Property Tax Increment Allocation
Redevelopment Act", the bill defines the following new terms:
Eligible Employee, High Unemployment, Low-Fiscal Capacity,
Moderate Income, New Job, Public Subsidy, Redevelopment Project
of Regional Significance, and Unfair Competition.

The bill changes criteria used to evaluate redevelopment projects
funded by tax increment financing (TIF) in the City of St. Louis
and in St. Louis, Jefferson, Warren, St. Charles, Franklin,
Crawford, Lincoln, St. Francois, Ste. Genevieve, and Washington
counties. The bill requires approved project areas to have high
unemployment, low fiscal capacity, poverty, be a redevelopment
project of regional significance, avoid unfair competition with
existing business, and meet other criteria showing economic
decline.

The bill also limits the maximum amount of public funding for

approved TIF projects to 30% of the total project costs, unless the redevelopment is occurring in certain specified areas. The bill does not allow TIF to be used to develop sites where 25% or more of the area is vacant and has not been previously developed, or qualifies as "open space" as defined in section 67.900 RSMo, or is presently being used for agricultural or horticultural purposes (except in certain cases).

The bill requires an economic feasibility analysis indicating the return on investment of the proposed development, a study verifying that the proposed redevelopment property has not previously been developed through private enterprise, and allows sharing of payments in lieu of taxes among affected political subdivisions.

The bill also requires the enumerated counties and the City of St. Louis to create regional tax increment financing review authorities for the purpose of determining whether projects meet the criteria as provided in the bill and approve or reject the projects.

Alice K.